



State of Wisconsin • DEPARTMENT OF REVENUE

2135 RIMROCK ROAD • P.O. BOX 8933 • MADISON, WISCONSIN 53708-8933 • 608-266-6466 • FAX (608) 266-5718
<http://www.revenue.wi.gov>

Scott Walker
Governor

Richard G. Chandler
Secretary of Revenue

2010 Tax Filing Information for Wisconsin/Minnesota Residents Working Across States' Borders

Minnesota unilaterally ended the tax reciprocity agreement between Minnesota and Wisconsin on January 1, 2010. If you were a resident of one state but worked in the other in 2010, you may need to file income tax returns in both Minnesota and Wisconsin.

The good news is you may be able to get credit for the taxes you paid to the other state. Follow the instructions below when filing your 2010 tax returns.

Wisconsin Residents

If you are a Wisconsin resident who worked in Minnesota, Minnesota income tax was withheld from your salary, wages, commissions, fees, and bonuses you earned (called personal service income) starting January 1, 2010.

You may be required to file income tax returns in both Minnesota and Wisconsin based upon the amount of income you earned (filing requirements are provided at the end of this document).

To claim credit for the net tax paid to Minnesota, follow the steps below:

1. File a Minnesota tax return as a non-resident: *Form M1* and *Schedule M1NR*
 - **IMPORTANT:** You must file the Minnesota tax return to determine the amount of net tax paid to Minnesota. (Caution: The credit for tax paid to Minnesota is not based on the tax withheld for Minnesota or your estimated tax payments to Minnesota.)
 - Complete Wisconsin *Form 1*. This form is used when claiming credit for taxes paid to Minnesota (see page 27 of the form instructions for more details).
2. Complete Wisconsin *Schedule OS, Credit for Net Tax Paid to Another State*
3. File Wisconsin *Form 1*, being sure to report all your income from both Wisconsin and Minnesota.
 - **IMPORTANT:** Be sure to enclose *Schedule OS* and a copy of your Minnesota tax return with *Form 1* when you file it.

Minnesota Residents

If you are a Minnesota resident who worked in Wisconsin, Wisconsin income tax was withheld from your salary, wages, commissions, fees, and bonuses you earned (called personal service income) starting January 1, 2010.

You may be required to file income tax returns in both Minnesota and Wisconsin based upon the amount of income you earned (filing requirements are provided at the end of this document).

To claim credit for tax paid to Wisconsin, follow the steps below:

1. File Wisconsin *Form 1NPR* (Wisconsin income tax return for nonresidents and part-year residents). You must report all your income earned in Wisconsin.
2. File your Minnesota income tax return on Minnesota *Form M1*. You must report all your income on your Minnesota return, including income earned in Wisconsin. Include Minnesota *Schedule M1CR* (Credit for Income Tax Paid to Another State) with *Form 1M*.

- MORE-

Wisconsin e-Filing Options

Wisconsin and Minnesota residents: you can electronically file your Wisconsin Form 1 or Form 1NPR by using:

- Web-based software <http://www.revenue.wi.gov/eserv/webased.html>
- Off-the-shelf or downloaded software <http://www.revenue.wi.gov/eserv/offshelf.html>
- A tax preparer <http://www.revenue.wi.gov/eserv/city/index.html>
- The department's free Wisconsin e-file application http://www.revenue.wi.gov/wi_efile/index.html

Note: Make sure the option you choose supports the electronic filing of Wisconsin tax forms and schedules.

Where to Get Tax Forms

Wisconsin forms – Forms are available on the Wisconsin Department of Revenue web site at revenue.wi.gov or by calling (608) 266-1961. You can file your forms for free online on the department's secure, confidential web site by clicking on the WI eFile logo.

Minnesota forms – Forms are available on the Minnesota Department of Revenue web site at www.taxes.state.mn.us or by calling (651) 296-4444 or 1-800-657-3676.

Wisconsin Filing Requirements	Minnesota Filing Requirements
<p>A Wisconsin resident must file a Wisconsin return if gross income is:</p> <ul style="list-style-type: none">• \$10,000 or more if single• \$18,150 or more if married filing a joint return. <p>Your filing requirement is different if you are:</p> <ul style="list-style-type: none">• Age 65 or older• You are a dependent of another taxpayer• You are married filing separately or as head of household. <p>A Wisconsin resident must file a Minnesota income tax return if Minnesota gross income is \$9,350 or more.</p>	<p>A Minnesota resident must file a Minnesota income tax return if the Minnesota resident is required to file a federal income tax return.</p> <p>A Minnesota resident must file a Wisconsin income tax return if Wisconsin gross income is \$2,000 more.</p>